

ARTICLE APPEARED
ON PAGE A-1

NEW YORK TIMES
3 DECEMBER 1980

4 REPORTED CHOSEN AS THE INNER CIRCLE OF REAGAN CABINET

Haig at State Dept.; Weinberger at
Defense; Wriston at Treasury;
Smith, Attorney General

By HEDRICK SMITH

Special to The New York Times

WASHINGTON, Dec. 2 — President-elect Ronald Reagan, drawing on both the Eastern establishment and his West Coast political associates, has decided on the four men he wants to form the inner ring of his Cabinet, well-placed Republican sources said today.

These sources said that Mr. Reagan's choices were Gen. Alexander M. Haig Jr., retired, former Supreme Allied Commander (Europe) of the North Atlantic Treaty Organization, for Secretary of State; Caspar W. Weinberger, Mr. Reagan's long-time adviser and now vice president of the Bechtel Corporation, for Secretary of Defense; Walter B. Wriston, chairman of Citicorp, for Secretary of the Treasury; and William French Smith, the President-elect's personal attorney and friend, for Attorney General.

Although all four men are known as conservatives Republicans, they are regarded as moderates and their selection seems to point toward a trend in Mr. Reagan's policy-making, following his pattern as Governor of California.

Caution on Clearances

The Republican sources cautioned that not all the necessary clearances had been completed and that Mr. Reagan had not formally offered the top Cabinet posts to these men or received their final acceptances.

These sources said that both Mr. Wriston and Mr. Smith had expressed some hesitancy about entering the Federal Government and that if they were to decline to serve it could lead to reshuffling among the top posts.

Associates of Mr. Reagan pointed out that although Mr. Weinberger very much wanted a foreign policy post, he was sufficiently versatile and experienced to shift to the Treasury Department if necessary.

Casey and Stockman Listed

Two other key Cabinet-level positions were also reported decided. Republican sources said that Mr. Reagan had decided to put his campaign director, William J. Casey, a New York tax lawyer, as Director of Central Intelligence, and had signaled his preference for Dave Stockman, a two-term Congressman from Michigan, as director of the Office of Management and Budget.

Although Reagan transition aides said that the President-elect was still working on some of his Cabinet choices, they reported that he had essentially settled on Senator Richard S. Schweiker of Pennsylvania to be Secretary of Health and Human Services and not Secretary of Labor, as previously reported.

They also said he was inclined to choose Drew Lewis, a Pennsylvania businessman who became one of his deputy campaign managers and deputy chairman of the Republican National Committee, as Secretary of Transportation.

In an apparently typical pattern, high-level Reagan aides reported that security clearance procedures had been initiated today on Mr. Stockman, but by late afternoon his friends said that he had not received any call from the President-elect asking him to take the job.

There were indications that the Reagan personnel operation was undertaking preliminary security checks and inquiries about potential conflicts of interests before any formal job offers or announcements were made to spare both Mr. Reagan and potential Cabinet appointees the embarrassment of later disclosures that would force a change in Mr. Reagan's choices.

According to some associates of Mr. Reagan, at least two prominent Republican political figures have been sounded out about Cabinet positions and turned them down. These sources said that John B. Connally, the former Governor of Texas, had rejected a chance to serve as Secretary of Energy and that Pete Wilson, Mayor of San Diego, had declined to be considered as Secretary of Housing and Urban Development.

Bill Brock, the Republican National chairman, has been mentioned as a possible Secretary of Commerce, but Reagan transition sources said that he was also under active consideration for Under Secretary of State. He has expressed an interest in both commerce and foreign affairs.

Possible Agriculture Choice

Although no decision is reported to have been made on the new Secretary of Agriculture, senior Reagan advisers here met today with John R. Block, former Director of Agriculture for Illinois, who is being pushed for the job by farm-state Senators like Bob Dole of Kansas.

The agriculture post could take on more than normal importance because in some preliminary plans prepared by top Reagan advisers, the Agriculture Secretary would sit in as a member of the inner Cabinet that Mr. Reagan intends to make his chief policy-making advisory group.

Because of its importance, the President-elect was reported to have concentrated initially on picking the key members of his Cabinet who would serve in that inner group, mainly the Secretaries of State, Defense and Treasury and the Attorney General.

The choices reported today reflected an evident effort by Mr. Reagan to achieve a balance in that group of Eastern establishment figures like Mr. Wriston and West Coast associates with whom he has long been comfortable, like Mr. Weinberger and Mr. Smith.

Blend of Old and New

The first four choices also reflect a balance of experienced Washington hands and newcomers to government. Mr. Haig, now 55 years old, not only served as commander of the North Atlantic Treaty Organization but also as White House chief of staff to President Nixon and as a deputy to Henry A. Kissinger when he was Mr. Nixon's national security adviser. At that time, Mr. Weinberger, who is now 63 years old, was budget director and later Secretary of Health, Education and Welfare. Previously, he had served as director of finance when Mr. Reagan was Governor of California.

Mr. Wriston, a widely respected New York banker, and Mr. Smith, a Los Angeles lawyer with family roots in Boston, have not served previously in government. Both men are in their early sixties. Mr. Smith is a long-time friend who served with Mr. Reagan on the University of California Board of Regents, and Mr. Wriston joined Mr. Reagan's economic advisory group last summer, in the midst of the Presidential campaign.